

EXHIBIT 4

PROMISSORY NOTE

\$ _____ (Date)

For value received, we, the undersigned _____, owners of property located at _____, (hereinafter called owner), whose address is _____, promise to pay to the order of the City of _____, hereinafter called City, the sum of

\$ _____ without interest, payable in full upon the sale, conveyance or exchange of the real estate described above. The loan, evidenced by this Note is being made pursuant to Title I of the Housing and Community Development Act of 1974 with regulations at 24 CFR Part 570. Value received includes real property improvements at the above stated address.

If no sale, conveyance, or exchange of real estate occur within fifteen years of the date of this note, this note shall not be due and payable, but shall be automatically and completely forgiven. The owner may, at any time, pay the full amount of the loan in order to discharge the indebtedness evidenced by this note and obtain a release of the deed of trust securing this note.

The indebtedness evidenced by this Note is subordinate to the indebtedness evidenced by a note payable to a senior lender, which note is secured by a first deed of trust.

If the City has not received the full amount of payment by the end of 90 calendar days after the date it is due, the Owner will pay a late charge to the City. The amount will be 3% of the overdue payment. If the Owner does not pay the full amount of the payment within 90 days of the date it is due, the Owner will be in default. If the Owner is in default, the City may send the Owner a written notice telling the Owner that if the overdue payment is not made by a certain date, the City may require immediate repayment of the full amount of the note, which has not been repaid. That date must be at least 30 days after the date on which the notice is delivered or mailed to the Owner. Even if, at a time when the Owner is in default the City does not require the Owner to pay immediately in full as described above, the City will still have the right to do so if the Owner is in default at a later time. If the City has required the Owner to pay immediately in full as described above, the City will have the right to be paid back by the Owner for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses may include reasonable attorney's fees.

Any notice that must be given to the Owner under this Note will be given by delivering it or by mailing it by first class mail to the Owner at the Property Address above or at a different address if the Owner gives the City a notice of a different address.

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note. Any person, who is the guarantor, surety, or endorser of this Note, is also obligated in the same manner as the Owner. Any person, who takes over these obligations, including the obligations of a guarantor, surety, or endorser of this Note, is also obligated to keep all of the promises of this Note. The City may enforce its rights under this Note against each person individually or against the parties as one. Any one individual considered obligated as indicated above may be required to pay all of the amounts owed under this note.

In additional to the protections given the City under this Note, a Deed of Trust, of even date, protects the City from possible losses, which might result if the Owner does not keep the promises of this Note. The Deed of Trust describes the remedies allowed the City to ensure payment under this Note. If the City exercised this option, the City shall give the Owner and any senior lien holder prior written notice of acceleration. The notice shall provide for a period of not less than 30 days from the date the notice is delivered or mailed within which the Owner must pay all sums secured by the Deed of Trust. If the Owner fails to pay these sums prior to the expiration of this period, the City may invoke the remedies permitted by the Deed of Trust without further notice or demand on the Owner.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED

_____ Witness	_____ Borrower
_____ Witness	_____ Borrower
_____ Witness	_____ Borrower
_____ (Sign Original Only)	

DEED OF TRUST

Long Form Second – Missouri

THIS DEED, MADE AND ENTERED INTO THIS _____ day of Two thousand and _____ by and between _____.

Party _____ of the first part, and

The City of _____

Party _____ of the second part and

Party _____ of the third part, WITNESSETH: That the party _____ of the first part, in consideration of the debt and trust hereinafter mentioned and created, and the sum of One Dollar to _____ paid by the said party _____ of the second part, the receipt of which is hereby acknowledged, do _____ by these presents grant, bargain and sell, convey and confirm and possession thereof now deliver unto the said party of the second part and the following described Real Estate situate in the County of _____ in the State of Missouri, to-wit:

TO HAVE AND TO HOLD THE SAME, With the appurtenances, to the said party _____ of the second part, and to _____ successors hereinafter designated, and to the assigns of _____ and _____ successors, forever.

IN TRUST, HOWEVER, For the following purposes: WHEREAS, the said party of the first part, _____,

Did on the _____ day of _____, 20____, make and deliver to the said party _____ of the second part a certain Promissory Note _____, and each of them, to pay on demand all taxes and assessments general and special, now existing against said lands and improvements, and to pay when due the principal and interest on any indebtedness secured by any prior deed of trust on the property herein described, and to pay when due or within the time required by law, all taxes and assessments, general or special, hereafter levied or charged thereon or therefor, and also to keep the improvements upon said land constantly and satisfactorily insured against loss by fire for the sum of at least _____ dollars and against loss by windstorm for the sum of at least _____ dollars, the policy or policies thereof constantly assigned or pledged and delivered to the property holder or holders of the notes secured by the mortgage deeds of trust on the property herein described, with proper loss clauses according to priorities, for further securing the payment of said Note _____, with power to demand, receive, and collect any and all moneys becoming payable thereunder and the same to apply toward the paying of said Note _____ unless otherwise paid, and also to keep land and improvements thereon free from all statutory lien claims of every kind; and if any or either of said agreements be not performed as aforesaid, then said party _____ of the third part, or _____ said endorsees or assignees or any of them, may pay any sums which may be in default on either the principal or interest of any indebtedness secured by any prior deed of trust on the property herein describe, and may pay such taxes and assessments or any part thereof, and may effect such insurance for said purpose, paying the cost thereof, and may also pay the final judgement for any statutory lien, including all costs; and for the repayment of all moneys

paid in the remises, with interest thereon from the time of payment at the rate of _____ per cent per annum, these presents shall be security in like manner and with like effect as for the payment of said Note _____ and in the event of default in the payment of interest, or in any of the expressed conditions of any prior deed of trust, then the Note _____ secured hereby shall without notice at the option of the holder become due and payable at once.

Now, if the said Note _____ and the interest thereon be paid when due, and said agreements be faithfully performed as aforesaid, then these presents, including the lease hereinafter set forth, shall be void; and the property hereinbefore conveyed shall be released at the cost of said party _____ of the first part; but if default be made in the payment of said Note _____ or any part thereof or any of the interest thereon when due, or in the faithful performance of any or either of said agreements as aforesaid, then the whole of said Note _____ shall without notice at the option of the holder thereof, become due and be paid as hereinafter provided, and this deed shall remain in force and the said party _____ of the second part may proceed to sell the property hereinbefore described, and any and every part thereof, at public venue, to the highest bidder, at _____.

Aforesaid, for cash, first giving twenty days public notice of the time, terms, and place of sale, and of the property to be sold by advertisement in some newspaper printed and published in _____, and upon such sale shall execute and deliver a deed of conveyance of the property sold to the purchaser or purchasers thereof, and any statement or recital of fact in such deed in relation to the non-payment of money hereby secured to be paid, existence of the indebtedness so secured, notice by advertisement, sale receipt of money, and the happening of any of the events hereinafter provided whereby a successor trustee may be appointed as herein provided, shall be prima facie evidence of the truth of such statement or recital; and said Trustee shall receive the proceeds of said sale out of which he shall pay, first the costs and expenses of executing this trust, including compensation to the Trustee for his services, and next to said third party _____ or _____ endorses or assigns, upon the usual vouchers therefore, all moneys paid of prior encumbrances or for insurance or taxes and judgements upon statutory liens, claims, and interest thereon as hereinbefore provided for; and next all said Note _____ then due and unpaid; AND NEXT THE PRINCIPAL OF SUCH SAID OF NOTES AS ARE NOT THEN DUE WHEN PAYMENT THEREON SHALL BE DEMANDED, WITH INTEREST UP TO THE TIME OF SUCH PAYMENT, and if not enough therefore, then apply wheat remains; and the balance of such proceeds, if any, shall be paid to the said party _____ of the first part or _____ legal representatives.

It is further agreed that although the second party, trustee herein, or any successor may be agent or attorney or otherwise connected with third party or any holder of said note or notes, yet any such payee or holder may bid for and purchase any of said property sold hereunder with the same effect as if the person selling was an absolutely disinterested trustee.

And the said party _____ of the second part covenants faithfully to perform the trust herein created.

And the said party _____ of the second part hereby lets said premises to said party _____ of the first part until a sale be had under the foregoing provisions therefor, upon the following terms and conditions thereof, to-wit:

The said party _____ of the first part, and every and all persons claiming or possessing such premises, and any part thereof, by, through, or under shall or will pay rent therefore during said term at

the rate of one cent per month, payable monthly upon demand and shall and will surrender peaceable possession of said premises, and any and every part thereof, sold under said provisions, to said party of the second part _____ successors, assigns or purchasers thereof under such sale, within ten days after making of such sale without notice or demand therefor.

In case of the inability or refusal to act, or temporary or permanent absence from said State of Missouri of said party of the second part, or of any successor trustee, when any advertisement and sale are to be made hereunder, then the holder of said Note _____ may, by written instrument duly executed, acknowledged and recorded, appoint a successor trustee who shall, for the purposes of that advertisement and sale, succeed to the title and powers of party.

IN THE WITNESS WHEREOF, the said first party _____ that _____ hereunto set had _____ and seal the day and year first above written.

EXECUTED IN THE PRESENCE OF

_____ (Seal)

_____ (Seal)

_____ (Seal)

EXHIBIT 5

RENT FREEZE AGREEMENT

THIS AGREEMENT, entered into on this _____ day of _____, 20____, by and between the City of _____ (hereinafter referred to as the Local Public Body) and _____ (hereinafter referred to as the Owner),

WITNESSETH:

WHEREAS, the Local Public Body has provided the Owner financial assistance for the repair and rehabilitation of property located at _____; and

WHEREAS, the Owner, at the time of approval of financial assistance from the Local Public Body was renting or had plans to rent the aforementioned property to persons of low and moderate income, as defined by the Local Public Body on data from the U.S. Department of Housing and Urban Development.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

- 1) TERM: This Agreement shall be in effect for a period of five (5) years beginning _____ and ending _____. In the event the property is sold during the term of this Agreement, the Owner shall compensate the Local Public Body in an amount as set forth in the pay schedule made part of the contract for housing assistance between the Local Public Body and the Owner. Provided, however, that should the purchaser agree, in writing, to all of the terms and conditions herein, the City Council may allow the purchaser to assume the obligations set forth herein and defer payment.
- 2) RENT INCREASES: The Owner shall “freeze” the rent charged at \$_____ on this rental unit, repaired with CDBG financial assistance from the Local Public Body; to the amount of rent determined on Exhibit 6A, at least (10) days prior to submission of an application for rehabilitation assistance to the Local Public Body based on the current HUD FMR schedule and the utility allowance, which is annually adopted in the grantee’s housing rehabilitation program guidelines.
- 3) EXCEPTIONS: (A) The Owner may be granted an increase once each year by the Local Public Body to compensate the Owner for his additional costs for utility services actually paid by said Owner. (B) An increase may be granted once each year by the Local Public Body equivalent to the Consumer Price Index percentage increase for the applicable 12-month period.
- 4) The Owner shall not discriminate against a person or persons on the basis of race, creed, color, sex, age, or national origin in the renting or leasing of property repaired with financial assistance provided by the Local Public Body.

IN WITNESS WHEREOF, the Local Public Body and Owner have executed this agreement as of the date first above written.

Local Public Body: _____ Owner: _____

By _____ By _____

Attest _____ Tenant Attest _____

Recorded: _____

EXHIBIT 6**FAIR MARKET RENTS FOR MISSOURI (2006 Proposed)**

SCHEDULE B - FY 2006 PROPOSED FAIR MARKET RENTS FOR EXISTING HOUSING

MISSOURI

METROPOLITAN FMR AREAS	0 BR	1 BR	2 BR	3 BR	4 BR	Counties of FMR AREA within STATE					
Columbia, MO MSA.....	380	455	565	823	918	Boone, Howard					
McDonald County, MO HMFA.....	349	350	438	623	643	McDonald					
Jefferson City, MO HMFA.....	364	392	504	700	782	Callaway, Cole, Osage					
Moniteau County, MO HMFA.....	304	356	469	567	756	Moniteau					
Joplin, MO MSA.....	330	396	505	643	662	Jasper, Newton					
*Kansas City, MO-KS HMFA.....	510	612	703	951	1000	Caldwell, Cass, Clay, Clinton, Jackson, Lafayette, Platte, Ray					
Bates County, MO HMFA.....	305	358	468	657	679	Bates					
St. Joseph, MO-KS MSA.....	333	412	512	645	764	Andrew, Buchanan, DeKalb					
*St. Louis, MO-IL HMFA.....	513	559	694	905	967	Sullivan city part of Crawford, Franklin, Jefferson, Lincoln, St. Charles, St. Louis, Warren, St. Louis city					
Washington County, MO HMFA.....	304	354	397	522	583	Washington					
Springfield, MO HMFA.....	347	410	524	747	853	Christian, Greene, Webster					
Dallas County, MO HMFA.....	270	351	415	566	585	Dallas					
Polk County, MO HMFA.....	290	339	445	648	744	Polk					
NONMETROPOLITAN COUNTIES	0 BR	1 BR	2 BR	3 BR	4 BR	NONMETROPOLITAN COUNTIES	0 BR	1 BR	2 BR	3 BR	4 BR
Adair.....	334	388	512	672	743	Atchison.....	368	369	459	571	707
Audrain.....	375	376	453	572	726	Barry.....	291	367	447	583	603
Barton.....	277	349	426	516	566	Benton.....	289	344	444	616	638
Bollinger.....	339	381	500	639	740	Butler.....	351	351	424	588	628
Camden.....	423	429	527	768	789	Cape Girardeau.....	343	399	527	681	858
Carroll.....	404	405	511	641	715	Carter.....	342	342	412	573	616
Cedar.....	289	344	444	616	638	Chariton.....	404	405	511	641	715
Clark.....	333	343	453	560	660	Cooper.....	369	388	505	674	784
Crawford.....	290	367	445	592	781	Dade.....	356	375	493	631	681
Daviess.....	368	369	459	571	707	Dent.....	329	357	439	579	736
Douglas.....	294	330	399	528	612	Dunklin.....	314	341	405	518	578
Gasconade.....	328	357	462	578	736	Gentry.....	368	369	459	571	707
Grundy.....	368	369	459	571	707	Harrison.....	368	369	459	571	707
Henry.....	334	388	512	614	633	Hickory.....	289	344	444	616	638
Holt.....	368	369	459	571	707	Howell.....	304	349	442	548	776
Iron.....	339	381	500	639	740	Johnson.....	406	433	525	702	790
Knox.....	333	343	453	560	660	Laclede.....	368	369	449	587	770
Lawrence.....	381	381	459	625	721	Lewis.....	333	343	453	560	660
Linn.....	333	343	453	560	660	Livingston.....	356	357	453	605	792
Macon.....	336	337	416	498	535	Madison.....	339	381	500	639	740
Maries.....	329	357	439	579	736	Marion.....	305	355	468	609	626
Mercer.....	368	369	459	571	707	Miller.....	367	367	439	586	611
Mississippi.....	304	331	434	573	661	Monroe.....	304	356	469	603	620
Montgomery.....	304	356	469	603	620	Morgan.....	391	392	471	640	745
New Madrid.....	300	345	422	563	579	Nodaway.....	410	411	511	611	713

FAIR MARKET RENTS FOR MISSOURI (2006 Proposed)

SCHEDULE B - FY 2006 PROPOSED FAIR MARKET RENTS FOR EXISTING HOUSING

MISSOURI continued

NONMETROPOLITAN COUNTIES	0 BR	1 BR	2 BR	3 BR	4 BR	NONMETROPOLITAN COUNTIES	0 BR	1 BR	2 BR	3 BR	4 BR
Oregon.....	294	330	399	528	612	Ozark.....	294	330	399	528	612
Pemiscot.....	285	334	437	549	565	Perry.....	345	375	492	589	865
Pettis.....	404	405	525	655	784	Phelps.....	343	370	464	642	790
Pike.....	300	351	463	606	662	Pulaski.....	397	428	476	692	757
Putnam.....	333	343	453	560	660	Ralls.....	304	356	469	603	620
Randolph.....	313	367	481	610	627	Reynolds.....	342	342	412	573	616
Ripley.....	342	342	412	573	616	St. Clair.....	289	344	444	616	638
Ste. Genevieve.....	339	381	500	639	740	St. Francois.....	401	404	485	677	705
Saline.....	306	359	472	612	718	Schuyler.....	333	343	453	560	660
Scotland.....	333	343	453	560	660	Scott.....	385	386	483	602	712
Shannon.....	294	330	399	528	612	Shelby.....	333	343	453	560	660
Stoddard.....	321	333	414	564	610	Stone.....	342	398	526	690	759
Sullivan.....	333	343	453	560	660	Taney.....	439	440	556	663	844
Texas.....	301	318	382	526	606	Vernon.....	323	384	465	651	671
Wayne.....	342	342	412	573	616	Worth.....	368	369	459	571	707
Wright.....	301	315	410	517	533						

Exhibit 6A

FAIR MARKET RENT CALCULATION FORM

Rental Property Owner _____

Tenant _____

Rental Property Address _____

City _____, MO Zip _____ County _____

Number of Bedrooms at this address: _____ Pre-rehab Rent: \$_____

Date rehabilitation work completed-certificate of completion signed: _____

Applicable Fair Market Rent on date the certificate of completion signed: \$_____

Amount of Post Rehab Rent: \$_____ + Amount of Utility Allowance: \$_____

Equals Total Fair Market Rent Amount for the Rent Freeze Agreement: \$_____

Actual amount of rent in lease and rent freeze agreement: \$_____

UTILITY ALLOWANCE CALCULATION Rules: Please refer to the “Rental Property” section of Chapter II, Housing Program Requirements. Under the paragraph titled “Rent Affordability Standard,” we explain that the FMR is inclusive of a utility cost allowance. We explain the two methods that HUD allows grantees to use to calculate the amount for the utility allowance.

With the first method, HUD allows 25% of the applicable FMR to determine the amount for the utility allowance. For example, the applicable FMR for a 2-BR dwelling in Adair County is \$512. Therefore, the utility allowance is calculated by multiplying \$512 by .25, which equals \$128 as the utility allowance. For a rental property owner to use \$512 as the FMR, the \$128 must be subtracted from the \$512, which equals \$384 for the rent in the rent freeze agreement and \$128 as the utility allowance.

However, if the rental property owner pays for all utilities, then the rental property owner may use \$512 as the FMR in the rent freeze agreement because the \$512 is inclusive of the applicable utility allowance amount.

With the second method, the rental property owner may use the utility allowance schedule that has been formally adopted by the public housing authority or Section 8 Program in the county where the rental property is located. Please contact the area Section 8 Program to obtain the adopted utility allowance schedule for the county in which the rental property is located.

NOTE: Please complete this form and attach it AND the applicable FMR schedule to the rent freeze agreement and lease that have been signed by both the tenant and rental property owner.

EXHIBIT 7

GUIDEFORM NOTICE OF NONDISPLACEMENT TO RESIDENTIAL TENANT

Grantee or Agency Letterhead

(date)

Dear _____:

On _____ (date), we notified you that the owner of your building had applied for assistance to make extensive repairs to the building. On _____ (date), the owner's request was approved, and the repairs will begin soon.

This is a notice of nondisplacement. You will not be required to move permanently as a result of the rehabilitation. This notice guarantees you the following:

- 1) You will be able to lease and occupy your present apartment [or other suitable, decent, safe and sanitary apartment in the same building/complex] upon completion of the rehabilitation. Your monthly rent will remain the same or, if increased, your new rent and estimated average utility costs will not exceed 30% of the gross income of all adult members of your household. Of course, you must comply with the reasonable terms and conditions of your lease.
- 2) If you must move temporarily so that the repairs can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from the temporarily occupied unit and any additional housing costs. The temporary unit will be decent, safe, and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation assistance.) We will make every effort to accommodate your needs. Because Federal assistance is involved, you are protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

If you have any questions, please contact _____ (name), _____ (title), at _____ (phone), _____ (address). Remember, do not move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should be retained.

Sincerely,

_____(Name & title)

NOTES:

- 1) The case file must indicate the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery.
- 2) This is a guideform. It should be revised to reflect the appropriate circumstances.

EXHIBIT 8

SUPPORTIVE SERVICES CERTIFICATION

Date	Service Provided	Units (Hrs, Days, Trips, Other)	Beneficiary Signature	Provider Signature